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NSC BRIEFING

5 4 April 1958

NEW INDONESIAN GOVERNMENT

- I. New Cabinet (24 March):**
 - A. Moderate in composition.**
 - B. Nationalistic in program.**
- II. PHI heads cabinet:**
 - A. Six key posts: Premier, defense, foreign, 3 others.**
 - B. Premier is Ali (also '53-'55).**
 - C. Range of six PHI--from anti-Com to left wing.**
- III. Other majors--Masjumi, NU--five ministers each.**
 - A. Remaining six posts--five minor parties, one independent.**
- IV. Masjumi factionalism abated.**
 - A. Both factions represented.**
- V. No Communist front representative.**
 - A. Such attempt by Sukarno blocked.**
- VI. Program PHI-drafted:**
 - A. Speedy nationalization, decreased foreign investment, New Guinea.**
- VII. Communists to continue national front tactics:**
 - A. Party Sec Gen sent Ali congratulations.**
- VIII. Conclusion: Although Communists now in less favorable position, continuation national front tactics should mean continued freedom activity.**

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NBC BRIEFING

4 April 1956

INDONESIA

1. The new Indonesian cabinet, which was installed on 24 March, is fairly moderate in composition, but its program--in line with its leadership and the post-election temper of Indonesian politics--is strongly nationalistic.

2. The cabinet is led by Indonesia's largest party, the National Party (PNI), which holds the key posts of prime minister, foreign affairs, and defense, and the politically useful portfolios of labor, agriculture, and education. The prime minister is Ali Sastroamidjojo who led a Communist-supported government for two years from 1953-1955. Political sentiment of the six PNI ministers ranges from Foreign Minister Abdulgani, who is anti-Communist, to Labor Minister Nasjad who, like Prime Minister Ali, is associated with the Party's left wing.

3. The anti-Com Masjumi and the orthodox Moslem Nahdlatul Ulama (NU) each hold five ministries. The remaining six of the cabinet's 22 ministries are held by five minor parties and one independent. Two of the minor parties are Marxist-tinged Moslem groups, but they are not believed to be under Com. direction.

4. The Masjumi's internal difficulties appear to have abated. Both party factions are represented in the cabinet, with party chairman Natsir apparently better represented than deputy chairman Sukiman (head of rival faction).

5. No Communist front organization is represented in the cabinet although President Sukarno apparently would have preferred such an arrangement.

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6. The cabinet's program, which was drafted by the PNI, calls for rapid nationalization, gradual decrease in foreign investment, protection of national enterprise and trade, and the establishment of a provincial administration for Netherlands New Guinea which Indonesia claims.

7. The Communist Party is expected to continue national front tactics even though it is dissatisfied with the cabinet's line-up.

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8. The Communists are not in as favorable a position now as they were under the first Ali cabinet, but as long as they continue their national front tactics, they will enjoy considerable freedom of activity.

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BACKGROUND--INDONESIAN CABINET MEMBERS

I. National Party (PNI)

1. Ali Sastroamidjojo (Prime Minister and Defense Ad Interim): Associated with left wing of PNI; was willing to include Communist front representative in cabinet. 25X6
2. Ruslan Abdulgani (Foreign Affairs): Associated with moderate wing of PNI. Has good record as secretary general of foreign ministry from 1954 to March 1956 and as secretary general of information ministry from 1947 until 1954.
3. Sarino Mangupranoto (Education): Belongs to moderate wing of PNI and heads Central Java branch of party. Good organizer.
4. Karim (Agriculture): Believed to be moderate. Active PNI leader in Central Sumatra; has been described as shrewd politician. Came to US on study grant in 1953. Is brother of Darwin Karim who is strongly anti-Communist and was formerly North Sumatra Chief of Police.
5. Habilal Rasjad (Labor): Belongs to PNI left wing; supports Ali. Subject of conflicting reports, some stating he is Communist-influenced, others denying this.

II. Masjumi

1. Mohammed Rum (First Deputy Prime Minister): Member of Natsir faction of Masjumi. Friendly to West, anti-Communist. Previous cabinet experience.

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2. Wibisono (Finance): Member of Sukiman faction of Masjumi. Friendly to West; anti-Communist. Capable and experienced. Has served previously as Finance Minister.
3. Muljatno (Justice): Professor of criminal law; good reputation as legal expert and as person of integrity. Joined Masjumi only recently; no previous party affiliation.
4. Suchjar Tedjaksumana (Communications): Outstanding Indonesian businessman; secretary general of Indonesian Central Economic Council. Friendly to West; anti-Communist. Headed Indonesian delegation to Moscow Economic Conference in 1952. Reportedly member of Natsir faction.
5. Pangeran Mohammed Noor (Public Works): Career civil servant in engineering; served briefly as governor of Borneo. No previous cabinet experience. Reportedly member of Natsir faction.